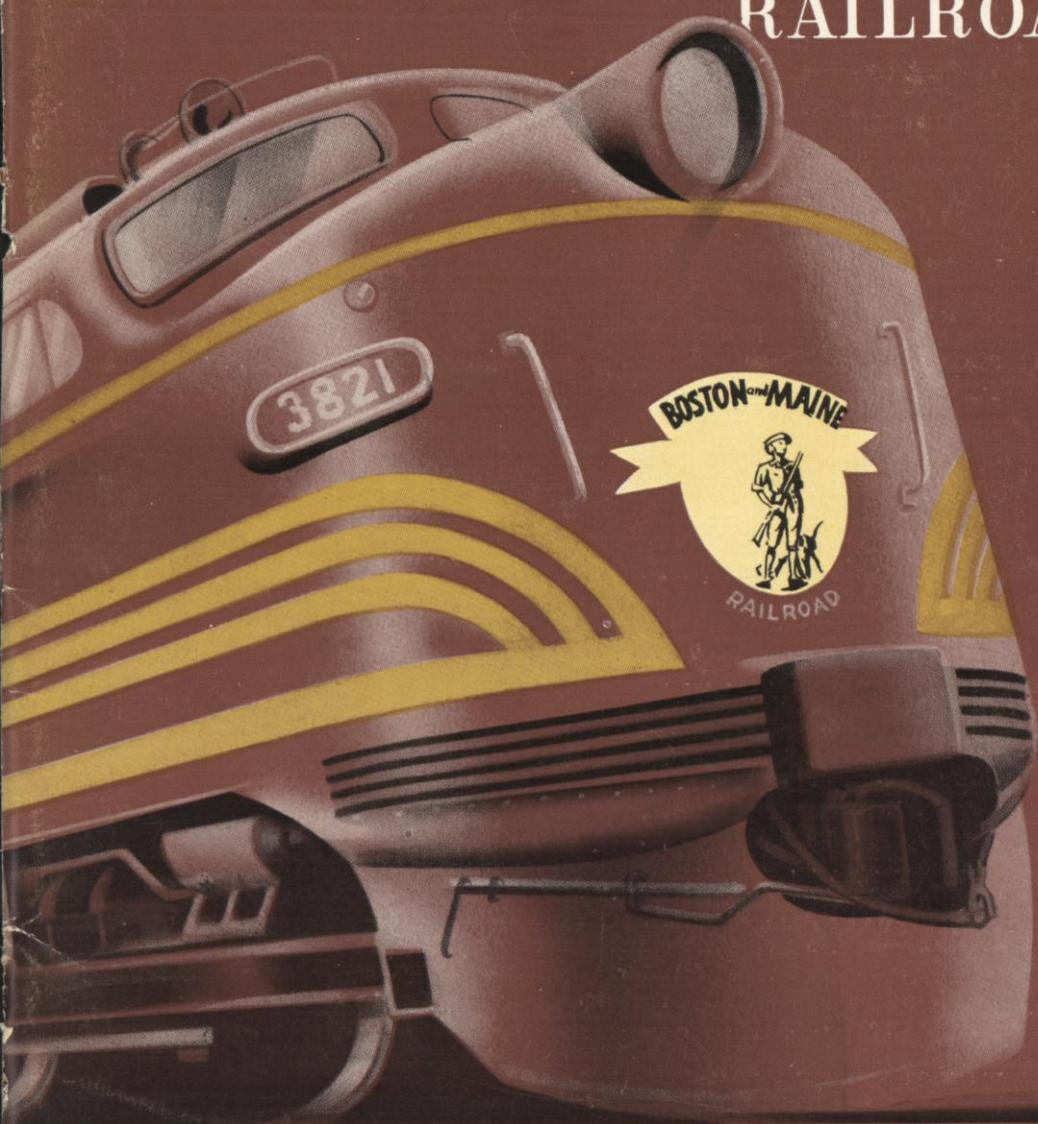


BOSTON and MAINE RAILROAD



120th ANNUAL REPORT

YEAR ENDING DECEMBER 31

BOARDS

MR 16
652-0973
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1952.

BOARD OF DIRECTORS

PHILIP R. ALLEN *	<i>Walpole, Mass.</i>	HARVEY P. HOOD	<i>Brookline, Mass.</i>
ROGER AMORY	<i>Boston, Mass.</i>	ERNEST M. HOPKINS	<i>Hanover, N. H.</i>
RICHARD L. BOWDITCH	<i>Cambridge, Mass.</i>	JAMES L. MADDEN	<i>Beverly, Mass.</i>
HUGH J. CHISHOLM *	<i>Portland, Maine</i>	JOHN R. McLANE *	<i>Manchester, N. H.</i>
T. JEFFERSON COOLIDGE *	<i>Brookline, Mass.</i>	ROY L. PATRICK *△	<i>Burlington, Vt.</i>
FAIRMAN R. DICK	<i>New York, N. Y.</i>	PHILLIPS M. PAYSON	<i>Portland, Me.</i>
HARRY H. DUDLEY †	<i>Concord, N. H.</i>	WILLIAM B. SKELTON	<i>Lewiston, Me.</i>
EDWARD S. FRENCH *	<i>Springfield, Vt.</i>	ROBERT W. STODDARD *	<i>Worcester, Mass.</i>
JAMES GARFIELD	<i>Cambridge, Mass.</i>	TIMOTHY G. SUGHRUE *	<i>Swampscott, Mass.</i>
EDGAR C. HIRST	<i>Concord, N. H.</i>	LAURENCE F. WHITTEMORE	<i>Pembroke, N. H.</i>

* Member Executive Committee

† Died June 30, 1952

△ Died January 14, 1953

OFFICERS

<i>Chairman of the Board</i>	E. S. FRENCH
<i>President</i>	T. G. SUGHRUE
<i>Vice President — Assistant to President</i>	R. M. EDGAR
<i>Vice President — Purchases and Stores</i>	H. M. RAINIE
<i>Purchasing Agent</i>	G. H. BOLTON
<i>Vice President — Traffic</i>	P. J. MULLANEY
<i>Assistant General Traffic Manager</i>	C. F. HEARD
<i>Vice President — Operations</i>	F. W. ROURKE
<i>Vice President — Accounting</i>	G. F. GLACY
<i>Vice President — On Leave of Absence</i>	J. W. SMITH
<i>Executive Assistant to President</i>	A. S. BAKER
<i>Treasurer</i>	E. W. SMITH
<i>Chief Engineer</i>	S. G. PHILLIPS
<i>Assistant Chief Engineer</i>	H. C. ARCHIBALD
<i>General Counsel</i>	R. J. FLETCHER
<i>General Attorney</i>	R. JACKSON
<i>General Attorney</i>	P. BROWNEELL
<i>Clerk of Corporation</i>	W. J. BURNS

TRANSFER AGENTS (for old stock)

Old Colony Trust Company, 45 Milk Street, Boston, Mass.

Guaranty Trust Company, 140 Broadway, New York City

TRANSFER AGENTS (for new stock when issued)

Old Colony Trust Company, 45 Milk Street, Boston, Mass.

Central Hanover Bank and Trust Company, 70 Broadway, New York City

**CONDENSED
INCOME ACCOUNT
FOR 1952**

INCOME

	1952	Increase or Decrease from 1951	Per Cent
Operating Revenues.....	\$89,852,218	\$1,432,504	1.62
Operating Expenses.....	72,543,616	735,705	1.02
Net Revenue from Operations.....	\$17,308,602	\$ 696,799	4.19
Railway Tax Accruals.....	8,312,158	602,021	7.81
Railway Operating Income.....	<u>\$ 8,996,444</u>	<u>\$ 94,778</u>	<u>1.06</u>
Equipment and Joint Facility Rents — Net Dr.....	3,933,029	d 61,648	1.54
Net Railway Operating Income.....	<u>\$ 5,063,415</u>	<u>\$ 156,426</u>	<u>3.19</u>
Other Income.....	798,670	99,841	14.29
<i>Total Income</i>	<u>\$ 5,862,085</u>	<u>\$ 256,267</u>	<u>4.57</u>

DEDUCTIONS

Rental Payments — Fixed.....	\$ 713,655	\$ 115,853	19.38
Interest on Debt — Fixed.....	2,560,632	18,443	.73
Interest on Unfunded Debt.....	9,344	d 1,873	16.70
Other Deductions.....	202,928	d 1,850	.90
<i>Total Deductions</i>	<u>\$ 3,486,559</u>	<u>\$ 130,573</u>	<u>3.89</u>
Income After Fixed Charges.....	<u>\$ 2,375,526</u>	<u>\$ 125,694</u>	<u>5.59</u>

d Indicates decrease.

APR 7 1953

Income after Fixed Charges (Available Net Income)

has been allocated in accordance with Mortgage

Indentures to the following purposes:

Sinking Fund for Redemption of Series RR Bonds ..	\$ 679,102
Interest on Income Bonds Series A:	
Accrued for period, Jan. 1 to Dec. 31, 1952 at 4½%	1,030,230
Sinking Fund for Redemption of Series A Bonds....	482,870
<i>Total Mortgage Allocations</i>	<u>\$ 2,192,202</u>
Net Income transferred to Profit and Loss.....	<u>183,324</u>
	<u><u>\$ 2,375,526</u></u>

**TO THE OWNERS OF THE
BOSTON AND MAINE RAILROAD:**

The result of the operation of your Company for the year 1952 showed operating revenues of \$89,852,218, and operating expenses of \$72,543,616. Revenues were 1.6% above those for 1951 and operating expenses were 1.0% higher.

Net revenue from operations plus other income was \$18,107,272. Tax accruals, interest and rentals reduced this amount to \$2,375,526 income after all fixed charges. In accordance with terms of mortgage indentures there has been allocated \$679,102 for redemption of series R. R. bonds, \$1,030,230 interest on income bonds Series "A" and \$482,870 for sinking fund for redemption of Series "A" bonds, leaving a net income transferred to profit and loss of \$183,324.

STATUS OF CAPITAL STOCK REORGANIZATION

The Interstate Commerce Commission held further hearings in reconsideration of the plan of modification of the Railroad's capital stock structure in August and September. The hearings were held solely to take evidence on the methods of solicitation used and on the accuracy of the tabulation of assents. The minority group which had so far successfully blocked final approval of the plan retired from the proceedings on the first day of the reopened hearings. Briefs were filed on October 20, 1952 by the Railroad, the Old Colony Trust Company, and certain interested intervening parties and the case was thus submitted



1600 H.P. Diesel for Local Passenger and Freight Service

to the Interstate Commerce Commission for final decision. Despite the length of time that has elapsed no decision had been rendered up to the date of issuance of this report.

CHANGES IN LONG-TERM DEBT

Long-Term Debt outstanding in hands of Public on December 31, 1952 amounted to \$88,311,754 (see note), an increase of \$1,760,896 since December 31, 1951.

INCREASE IN LONG-TERM DEBT

Funded Debt reacquired:

Series RR 1st Mtge. 4% Bonds due 7/1/60	\$ 356,000
Vermont Valley Railroad 1st Mtge. 4% Bonds due 10/1/55	<u>36,000</u>
Decrease in amount of Funded Debt in hands of Public	\$ 392,000
Increase in amount of Equipment Obliga- tions account new equipment received during the year	\$5,356,883
Decrease in amount of Equipment Obliga- tions account installment payments dur- ing the year	<u>3,203,987</u> <u>2,152,896</u>
Net Increase in Long-Term Debt in Hands of Public	<u><u>\$1,760,896</u></u>

NOTE — Long-Term Debt of \$88,311,754 is outstanding after deducting \$6,035,400 Bonds owned by the Railroad, of which \$646,000 is pledged with Old Colony Trust Company, Trustee, in lieu of Mortgaged Property Sold.

TAXES

Railway tax accruals were \$8,323,979 compared with \$7,722,177 for the year 1951. Comparison of taxes accrued for the two years is tabulated below:

	1952	1951	Inc.	% Inc.
State and Municipal Taxes	\$2,944,032	\$2,962,443	\$ 18,411 d	0.6 d
Federal Payroll Taxes, Railroad Re- tirement (Employees' Pensions) . . .	2,697,050	2,675,940	21,110	0.8
Federal Payroll Taxes, Railroad Un- employment Insurance	217,660	224,229	6,569 d	2.9 d
Federal Income Taxes	2,423,640	1,817,576	606,064	33.3
Other Taxes (Excise Taxes, etc.) . . .	41,597	41,989	392 d	0.9 d
<i>Total</i>	<u>\$8,323,979</u>	<u>\$7,722,177</u>	<u>\$601,802</u>	<u>7.8</u>
d—Decrease				

Income tax accruals for the year 1952 were \$606,064 more than 1951 caused, principally, by greater taxable income and the higher normal and surtax rates established by the Revenue Act of 1951, being in effect for the entire twelve months of 1952.

Retirement, unemployment insurance and federal payroll taxes increased slightly over 1951 due to the increase in the retirement tax rate from 6% to 6½% effective January 1, 1952. Despite higher wages, a reduction in the number of employees offset in part the increased tax rate.

Acting as an unpaid collection agency for the Federal Government, your company collected from others a total of \$12,625,944 in excise, withholding, retirement and transportation taxes.

RETURN ON INVESTMENT

Return on investment is a measurement of earnings by determining what percentage net railway operating income is of the net property investment, including cash, materials and supplies, after deducting accrued depreciation. The net investment of your Company in property used in transportation service December 31, 1952 was \$256,034,088. Net railway operating income in 1952 of \$5,063,415 represented a return of 2.0% on the net investment or only about one third of the minimum return of 6% that must be obtained in order to provide sufficient funds to pay fixed and contingent charges, including provisions for sinking funds, to keep the railway plant in a modern and efficient condition and to provide a return to the owners.

Comparison of return on investment for the years 1948 to 1952 is shown in the table below:

	1948	1949	1950	1951	1952
Gross Revenue.....	\$94,165,928	\$82,238,981	\$86,580,762	\$88,419,714	\$89,852,218
Operating Expenses....	73,742,349	67,091,573	66,816,462	71,807,912	72,543,616
Net Revenues.....	20,423,579	15,147,408	19,764,300	16,611,802	17,308,602
Railway Tax Accruals..	7,737,357	6,481,146	8,576,442	7,710,137	8,312,158
Equipment Rents.....	3,998,851	3,327,696	3,907,191	3,647,796	3,541,903
Joint Facility Rents....	416,612	355,007	326,911	346,881	391,126
Deduction from Net Revenue.....	12,152,820	10,163,849	12,810,544	11,704,814	12,245,187
Net Railway Operating Income(A).....	8,270,759	4,983,559	6,953,756	4,906,988	5,063,415
Investment in Transportation Property including cash, materials and supplies, less Recorded Depreciation(B).....	254,333,614	254,040,311	256,572,127	252,963,510	256,034,088
Rate of Return = A ÷ B	3.3%	2.0%	2.7%	1.9%	2.0%

FREIGHT TRAFFIC

Freight revenue for the year was \$66,851,602, a decline of 1.5% from 1951. Revenue ton-miles showed a decrease of 6.2% from the previous year, while revenue per ton-mile was 5.0% higher than 1951.

The decline in volume was general throughout the year and was not confined to any particular type of traffic. Many of our principal industries produced somewhat less traffic than during the previous two years when most plants were operating to capacity. The movement of coal continued its downward trend because of competition from other fuels. This was accentuated toward the close of the year when a price advantage in favor of industrial fuel oil caused a pronounced shift to the use of oil in those power plants equipped for burning either kind of fuel.

The movement of potatoes from the State of Maine was much larger than in the previous two years when Government support of prices had resulted in the dumping of large quantities of potatoes in the fields and not moving them to consumers. The movement of potatoes in 1952 took place in a free market.

The Interstate Commerce Commission issued a supplemental report in the general freight rate increase case, Ex Parte 175, and permitted further increases in rates to become effective on May 2nd. This raised the level of freight rates in general some 15% above 1951, but the usual exceptions were made in certain classes of traffic, including coal, so that the overall increase in your Company's traffic is approximately 12%. These last increases, by order of the Commission, have been published to expire on February 28, 1954 unless changed or extended beyond that date by order of the Commission. It is expected that petitions will be filed in 1953 seeking to make this order permanent. All of the State Commissions in our territory have permitted increases simultaneously and in conformity with the findings of the Interstate Commerce Commission.

Exhaustive hearings have been held in the last several years by the Interstate Commerce Commission in the matter of the division of freight revenue between the lines in the Northeast on the one hand and the lines in the Southeast and Southwest on the other. The Commission's decision was released in January 1953 and is favorable to the Northeastern carriers. The Commission's orders in both the Southeastern and Southwestern cases become effective on April 1, 1953, and unless postponed or stayed by Court order the Boston and Maine will at that time receive increased revenue from this source estimated to be approximately \$320,000 annually.

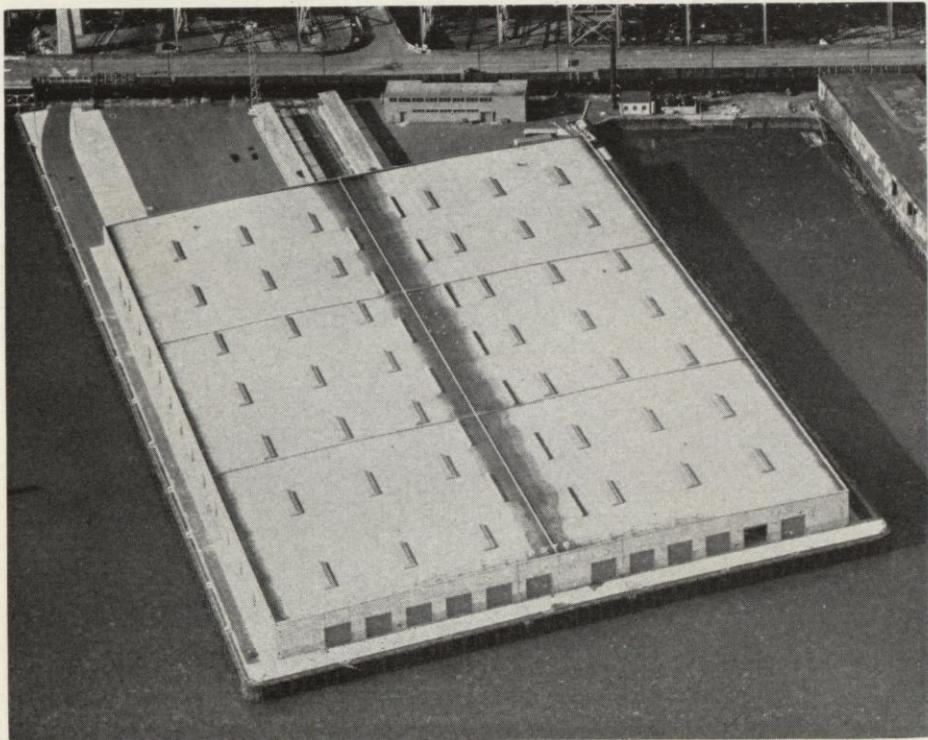
MYSTIC TERMINAL COMPANY

New Mystic Pier No. 1 was opened in August and this facility added to the new Hoosac Pier No. 1 and the Hoosac Elevator make up the total waterfront properties which are now leased by the Railroad from the Commonwealth and are operated by the Terminal Company.

Approximately 249,000 gross tons of cargo were handled over these piers and over the old Mystic Piers 48, 49 and 50 which are still temporarily being operated.

New steamship services have been added which now give substantial world coverage including the Far East, Persian Gulf, Red Sea, Australia and New Zealand, Africa, South America and the Hawaiian Islands. Continuing services include lines to the United Kingdom, Mediterranean, Scandinavian, and Gulf of Mexico ports comprising the broadest field of service offered at any time in the history of the Terminal Company.

A general improvement in the available cargoes was noticeable in the Port toward the close of the year, and it is expected that in 1953 there will be an increased opportunity to make good use of the new facilities now available.



New Mystic Pier provides direct interchange of cargo between ship and rail

PASSENGER TRAFFIC

Passenger revenue for the year was \$11,963,737, an increase of 5.3% over 1951. The number of passengers handled was 0.2% more than the previous year.

Passengers carried in other than commutation service increased, but there was a reduction in the number of commutation passengers.

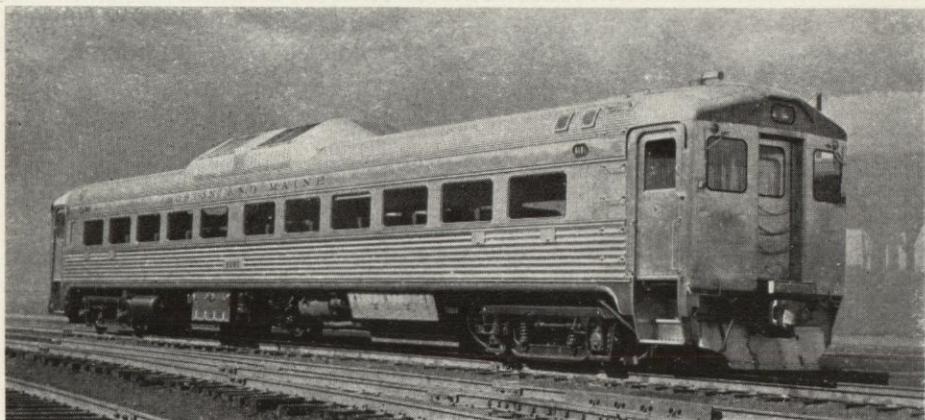
The increase in revenue came from three sources: higher commutation fares, cancellation of the one-day round trip fares, and the increase in the number of passengers in other than commutation service.

Increases of 25% in the monthly ride form of ticket and 35% in the 12-ride fares which are good only within 15 miles of Boston, were permitted by the Massachusetts Commission after extended hearings effective April 22 for one year. Prior to the expiration date of this increase, evidence will be offered to demonstrate the necessity of making the increase permanent with a showing that present commutation revenue, even with the increase, is not adequate to put the service on a self-sustaining basis.

Three stainless steel, self-propelled rail diesel cars were purchased from the Budd Manufacturing Company and were placed in service in April and May between Boston and Troy, N. Y., Boston and White River Junction, Vt., and between White River Junction and Springfield, Mass. These cars have made faster schedules possible and have resulted in very substantial operating economies. One of these units has also been used on Sundays to provide six round trips between Boston and Haverhill, Mass. and intermediate points, improving our Sunday service on this route and attracting a substantial number of new riders. Three more of these units have been ordered and they will be placed in service during 1953 on various parts of the system.

Difficulty is still experienced in obtaining State Commissions' approvals for discontinuance of branch line passenger trains which are operated at a loss and which are no longer needed to serve the public. In cases involving the Stoneham Branch in Massachusetts, the Manchester-Portsmouth Branch in New Hampshire, and the Claremont Branch in New Hampshire, permission was granted to abandon one of two round trips in each case instead of being granted in such a way as to permit complete discontinuance. In February 1953, however, the Massachusetts Commission authorized discontinuance of the one round trip per day of passenger service between Worcester, Mass. and Peterborough, N. H.

Promotions of feature trains, special excursions, package tours, and



Budd "Highliner" Rail Diesel Car

other devices to increase passenger revenue have been carried out throughout the year with satisfactory results.

EXPRESS TRAFFIC

Revenue from express was \$1,814,680, an increase of 99.1% over 1951. As predicted last year, the change in the Federal postal laws on January 1, 1952 limiting the size and weight of parcel post shipments resulted in a substantial increase in the volume of express with a resulting increase in revenue available for distribution to the owning carriers by the Railway Express Agency.

MILK TRAFFIC

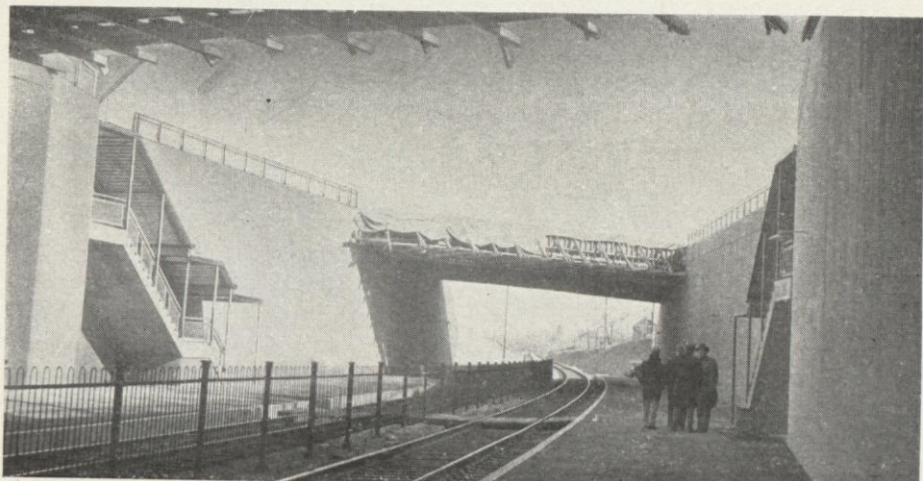
Revenue from milk and cream was \$1,354,208, an increase of 2.7% over 1951. This increase was due to the handling of additional tank car shipments and more bottled milk traffic from Vermont.

OPERATING RESULTS

Gross ton miles for the year 1952 were 4.0% less than in 1951. Gross ton miles produced per freight train hour increased 3.1% over 1951 and is a record high at 39,374. The average speed of freight trains per hour is also a record high.

The proportion of gross ton miles handled by diesel locomotives in freight service at end of 1952 was 98.8% as compared with 97.3% at end of 1951. At end of year 83.1% of passenger train miles were handled by

diesel locomotives as against only 67.6% at the end of 1951. In yard switching service the proportion of switching hours by diesel locomotives has increased from 85.5% at end of 1951 to 89.0% at end of 1952.



Grade Crossing Elimination Project at Waverley, Mass.

CHANGES IN EQUIPMENT

Diesel locomotive ownership at the end of the year totaled 200 locomotives consisting of 233 units. This was an increase of 39 locomotives and units over the number owned at the beginning of the year. At the end of the year orders were placed for the purchase of 44 additional diesel locomotives, delivery of which is expected in 1953 and 1954. These new diesels, when delivered, will permit the retiring of 83 steam locomotives and will eliminate all steam power on the system except that left in service on commutation trains in and out of Boston. The order is for fourteen 800 horsepower, fourteen 600 horsepower, and five 1200 horsepower switcher types, many of which are intended for use in road service on local freights, and also six 1500 horsepower and five 1600 horsepower locomotives of the general purpose type for use in both freight and passenger service.

Retirement of 47 steam locomotives reduced ownership at the end of the year to 166.

Revenue freight car ownership at the end of 1952 was 4,766. Since the first of the year 22 cars were retired because of age and condition, sixteen were destroyed by accident on foreign lines and twenty-nine were sold.

Passenger car ownership at the end of the year was 944. During

1952, 98 steel underframe, wood superstructure cars were withdrawn from service and were scrapped or converted to non-revenue use. Additions to the passenger car fleet were made through the purchase of 74 used steel cars for commutation service.

In addition to the orders for three new Budd rail motor cars, plans were completed for acquiring four new stainless steel sleeping cars as the Boston and Maine's share of the cars necessary to re-equip and modernize The State of Maine Express between Portland and New York City and The Gull between Boston and the Maritime Provinces of Canada.

WAGES AND WORKING RULES

Governmental operation of the railroads through the Department of the Army which became effective on August 27, 1950, was terminated on May 23, 1952 with the settlement of the three year old wage and rules dispute with the Engineers and Firemen.

This agreement resulted in an increase in basic rates of $12\frac{1}{2}$ cents per hour for Engineers and Firemen in road service and 27 cents per hour for men in yard service. A cost-of-living adjustment clause identical with that granted other operating and non-operating employes is also included in the agreement. A moratorium until October, 1953 on wage and rule changes is also provided.

In February, an Emergency Board, created under the provisions of the Railway Labor Act, recommended that the Railroads negotiate a Union Shop Agreement with the non-operating employes. In August, a Union Shop Agreement was concluded and it became effective on the Boston and Maine on September 15, 1952. At the present time all of our organized employes, except the Engineers and Firemen, are covered by Union Shop agreements. In December an Arbitration Board, established under the provisions of the May 23 agreement with the Engineers and Firemen, settled the one remaining rules dispute involving "Combinations of service." The Board's award provided that engine service employes may be required to perform two or more classes of road service in a day or trip, and provided how they shall be paid for such service.

Agreements with operating and non-operating employes providing for cost-of-living adjustments resulted in an 11 cents per hour increase at the start of 1952, and while the cost-of-living index fluctuated during the year, the adjustment stood at 13 cents per hour above the basic rate at the start of 1953.

All of our wage agreements also provide for reopening for negotiation of so-called Annual Wage Improvement based on productivity. In

December, the President of the United States appointed a referee to decide the issue of whether or not the Government Wage Stabilization policy provided for "productivity increases." The referee decided that such increases are permissive under the wage stabilization policy and the question of the amount of such increases, if any, is currently being heard before the referee. Such increases, if granted, would be over and above cost-of-living adjustment and would result in increases in basic wage rates.

LINE ABANDONMENTS

Approval of the Interstate Commerce Commission was obtained for the abandonment of that portion of the Portland Division Eastern Route between Kittery Junction and North Berwick, Me. This single track line, 17.02 miles in length, was used only to a limited extent and by some readjustment of passenger trains on the Portland Division the few through trains between Boston and Portland formerly operating over this line were rerouted to the Western Division via Dover. Substantial quantities of rail and other track materials for reuse were obtained as a result of this abandonment and, in addition, considerable scrap material was disposed of by sale.

Completion of the grade crossing elimination project in Waverley, Mass. permitted removal of 3.8 miles of the Central Mass. Branch between Clematis Brook and Fens (West Cambridge). Usable rail, ties, and other track material was salvaged and a saving in annual maintenance will be realized. Central Mass. Branch trains were rerouted to move over the Fitchburg Division main line between Fens and Clematis Brook.

ADDITIONS AND IMPROVEMENTS TO PROPERTY

Stone ballast resurfacing was completed over a total of 28.1 track miles during the year of which 15.4 miles were resurfaced on the Portland Division main line route between Biddeford and Portland and 12.7 miles were resurfaced on the Fitchburg Division between North Leominster and Fitchburg, Mass., and between Hoosick Junction and Eagle Bridge, N. Y.

Rail testing for the purpose of revealing any internal defects was carried out through the operation of a rail detector car over 1522 track miles on both main lines and branches. New rail installed totaled 3696 gross tons and 188,652 new cross ties were laid.

At Salem, Mass., the North Street grade crossing elimination pro-

ject, which was begun in 1951, was completed and this with the previously finished Bridge Street project, eliminates the crossings east of Salem Tunnel. The depressing of our Fitchburg Division main line tracks through Waverley, Mass. was completed and overhead bridges were constructed, eliminating both the Trapelo Road and Lexington Street crossings. Four grade crossings were eliminated by closing of highways in Massabesic, N. H., Winchendon, Mass. and Buckland, Mass.

Automatic crossing protection was installed at 17 crossings. Automatic half gates and flashers were placed on 12 of these, replacing manual protection or older types of crossing protection signals.

Labor saving equipment to further mechanize maintenance work was placed in service to the extent of 73 new pieces of roadway equipment and tools, while 72 were delivered for replacements. The major proportion of the replacements were track motor cars.



New Passenger Station at Lynn, Mass.

BOSTON CENTRAL ARTERY PROJECT

Construction was progressed by the Commonwealth on the Central Artery Project which involves many of your Company's facilities and properties in the vicinity of the North Station. Several sections of freight houses which are under lease to shippers had to be removed temporarily. The Gantry crane used for public delivery in Yard 13, Charlestown, had to be relocated and a large portion of the Railway Express Agency

building at the North Station was also removed. During the year tracks in the North Station were put out of service two at a time as foundations were built for the arm of the Central Artery which will cross all of the North Station tracks.

The entire question of the amount of reimbursement for properties taken and damages due from the Commonwealth is now before the courts.

MATERIALS AND SUPPLIES

Government controls over materials and supplies, as well as controls over inventory and prices, were continued throughout the year 1952. Prices of materials and supplies, principally steel products, continued to move to moderately higher levels. Our weighted average of prices of materials, exclusive of fuel, showed an increase of 4.0% during the last six months of the year.

Increased production capacity of industry generally during the last half of the year resulted in improved deliveries of materials, avoiding long-range advance ordering with a direct beneficial effect on our investment in materials and supplies.

Diesel fuel oil was available in ample supply throughout the year and purchases totaled 24,714,271 gallons at an average cost of 9.78 cents per gallon. This compares with 23,556,917 gallons used in 1951 at an average cost of 9.47 cents per gallon.

Locomotive coal purchased during the year amounted to 99,500 net tons at an average cost f.o.b. Boston and Maine Line of \$7.93 per ton. This compares with the purchase of 192,000 net tons in 1951 at an average cost of \$7.79 per ton.

The total cost of materials and supplies purchased in 1952, excluding equipment, was \$11,488,490, compared with \$13,916,033 in 1951.

REAL ESTATE AND INDUSTRIAL DEVELOPMENT

Ninety-five sales of land were made during the year, totaling approximately $4\frac{1}{2}$ million square feet. Of these sales, thirty-seven were made to industries for new plans or expansions.

Considerable growth is being experienced in the electronics industry and in the large field of metal working industries in the territory served by the Boston and Maine Railroad. This has resulted in the construction of several new plants with resultant greater employment and has created valuable traffic for the Railroad.

New industrial locations and expansions which took place in 1951 created additional traffic of over 11,000 cars per year. Twenty private sidetracks were installed involving a total of 8,700 feet of track.

The Board of Directors records with profound sorrow the death of two of its members.

HARRY HUBBARD DUDLEY of Concord, N. H. who shared with one other Director the honor of being senior in length of service, died on June 30, 1952. Mr. Dudley was elected to the Board September 9, 1920. The Boston and Maine Railroad lost through his death a valued and respected friend and advisor.

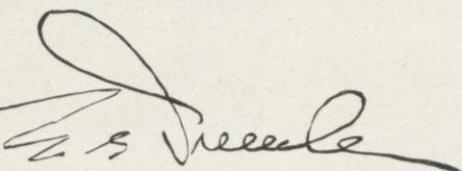
ROY LEONARD PATRICK, a member of the Board since April 13, 1927, and a member of the Executive Committee of the Board since 1943, died suddenly on January 14, 1953. One of the foremost citizens of his native State of Vermont, his business knowledge and good judgment made his counsel of great value to the Board. He had the affection and respect of all with whom he came in contact, and his loss to the Company and the community is deeply regretted.

While operating revenues were slightly higher in 1952 than in 1951, operating expenses increased by a lesser amount, leaving a net revenue from operations that was 4.2% better than 1951. Increase in revenues through more freight and passenger traffic and reduction of expenses are the major concerns of your Management.

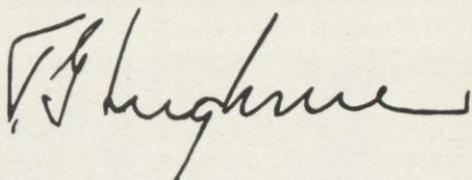
Real progress has been made in the reduction of the passenger deficit through revisions in schedules, operating savings made by rail diesel cars, by discontinuance of money-losing branch line passenger trains, and by fare revisions. Efforts in all directions will be intensified to reduce further passenger train service losses.

On the National level concerted efforts are being made by the railroads with a most encouraging volume of support from individuals and organizations outside of the industry looking toward revisions in the Interstate Commerce Act during the 1953 session of Congress. Of particular urgency are changes which would reduce the time lag and the delays which have been experienced in getting approval of general rate increases sought when increases in wages and costs of materials made them necessary, the granting of authority to the Interstate Commerce Commission to over-rule State Commissions on passenger train abandonment cases, and a number of other changes designed to modernize regulation of railroads and permit them to meet competition and changed economic conditions without the protracted delays now required by an outmoded regulatory law.

Your Board of Directors acknowledges with appreciation the support and cooperation of the Company's officers and employes and patrons throughout the year.



E.S. Steele



F.J. Hughes

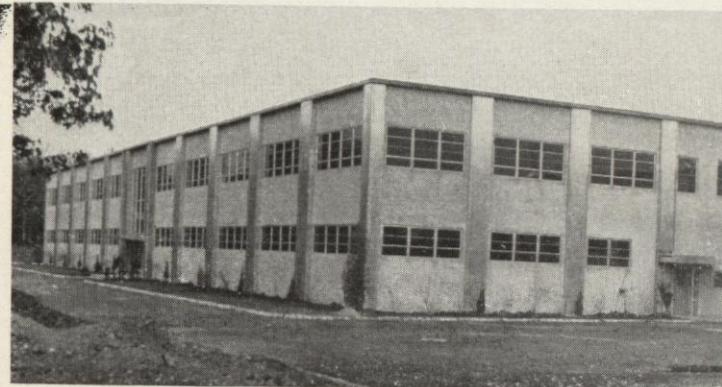
CBS-HYTRON ELECTRONIC TUBES



CBS Hytron, Danvers, Mass.



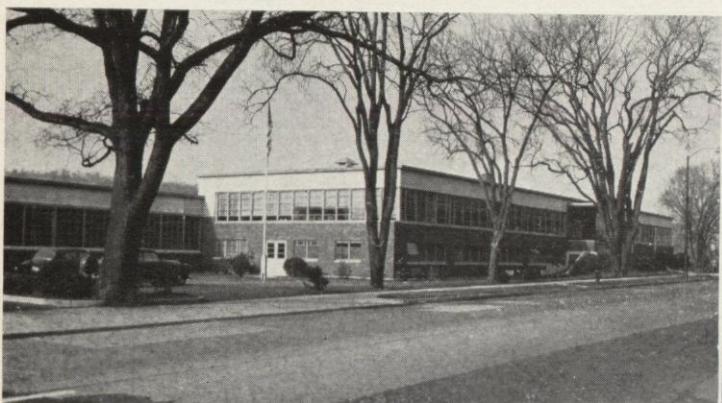
Edgcomb Steel In



J. W. Greer Co., Wilmington, Mass.



Dewey & Almy Chemi



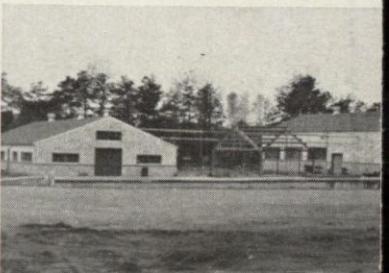
Commercial Filters Corp., Melrose, Mass.



Avery & Saul Co., West Cambridge, Mass.



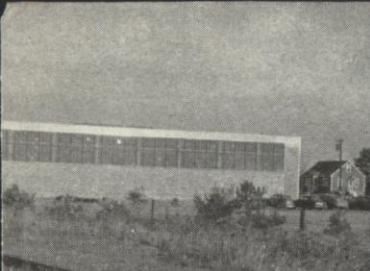
Eastern States Farmers' Exchange, Brattleboro, Vt.



Raffi & Swanson Inc.

EXAMPLE

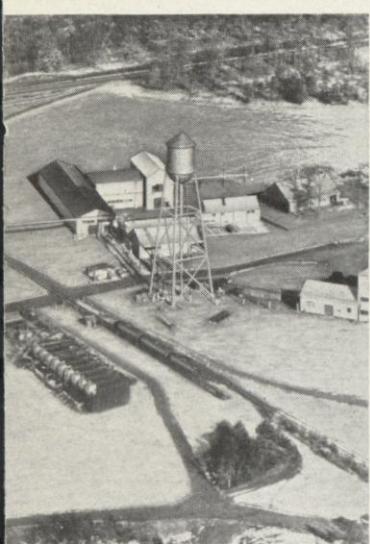
INDUSTRIAL EXP



c., Nashua, N. H.



The Norton Co., Worcester, Mass.



cal Co., Acton, Mass.

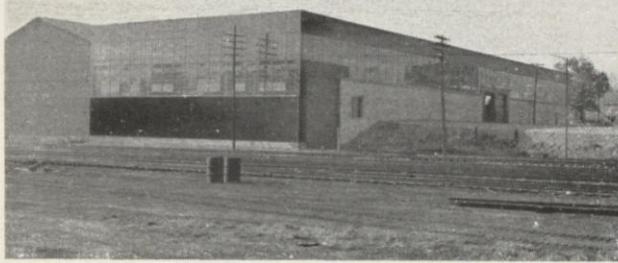
LES OF
PANSION—1952



Brown-Wales Co., Cambridge, Mass.

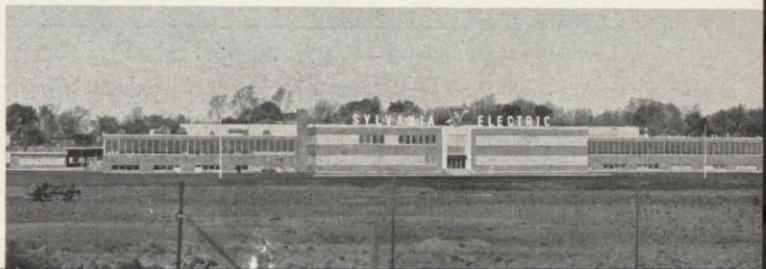


The Nestlé Company, West Cambridge, Mass.



Wilmington, Mass.

Merrill & Usher Co., Worcester, Mass.



Sylvania Electric Products Inc., Woburn, Mass.

Assets

Condensed General

	Dec. 31, 1952	Dec. 31, 1951
ROAD AND EQUIPMENT		
Investment in Road	\$190,630,491 82	\$191,579,314 36
Investment in Equipment	65,650,894 29	61,682,528 41
<i>Total</i>	\$256,281,386 11	\$253,261,842 77
Improvements on Leased Property	10,119,609 88	10,121,983 74
Acquisition Adjustment	c 5,981,122 63	c 5,981,122 63
Donations and Grants	c 200,011 54	c 197,868 54
<i>Total Investment in Transportation Property</i>	\$260,239,861 82	\$257,224,835 34
Accrued Depreciation — Road and Equipment	c 23,068,844 14	c 22,546,898 64
Accrued Amortization of Defense Projects — Road and Equipment	c 10,385,448 78	c 10,624,214 85
<i>Investment in Transportation Property less Recorded Depreciation and Amortization</i>	\$226,785,568 90	\$224,053,726 85
Sinking Funds	1,420 39	1,663 53
Capital and Other Reserve Funds	917,002 79	1,043,023 09
Miscellaneous Physical Property	481,211 71	406,404 42
Investments in Affiliated Companies	2,884,484 82	2,844,434 82
Other Investments	740,245 94	730,947 43
<i>Total Investments</i>	\$231,809,934 55	\$229,080,200 14
CURRENT ASSETS		
Cash	\$ 6,302,014 91	\$ 5,953,135 22
Cash in Transit — Agents' Remittances	873,876 85	943,479 57
Temporary Cash Investments	8,241,800 00	8,090,600 00
Special Deposits	2,663,819 12	2,239,459 78
Loans and Bills Receivable	4,984 42	5,434 42
Net Balance Receivable from Agents and Conductors	2,081,400 77	2,007,003 99
Miscellaneous Accounts Receivable	4,614,621 94	3,252,002 10
Material and Supplies	6,105,527 78	6,484,575 53
Interest and Dividends Receivable	11,809 56	43,016 06
Accrued Accounts Receivable	932,236 00	1,429,996 24
Other Current Assets	25,314 81	48,592 08
<i>Total Current Assets</i>	\$ 31,857,406 16	\$ 30,497,294 99
DEFERRED ASSETS		
Working Fund Advances	\$ 16,765 87	\$ 21,744 11
Insurance and Other Funds	2,118,606 72	2,006,150 19
Other Deferred Assets	258,873 60	273,969 73
<i>Total Deferred Assets</i>	\$ 2,394,246 19	\$ 2,301,864 03
UNADJUSTED DEBITS		
Prepayments	\$ 89,391 71	\$ 129,166 76
Discount on Funded Debt	278,276 55	305,531 62
Property Retired Chargeable to Operating Expenses	347,545 96	489,264 90
Other Unadjusted Debits	348,730 30	317,919 54
Securities Issued or Assumed — Unpledged	5,653,400 00	7,211,900 00
<i>Total Unadjusted Debits</i>	\$ 6,717,344 52	\$ 8,453,782 82
<i>Grand Total</i>	\$272,778,931 42	\$270,333,141 98

c Indicates Credit Balance.

Balance Sheet

Liabilities

	Dec. 31, 1952	Dec. 31, 1951
CAPITAL STOCK		
Common Stock — 395,051 shares	\$ 39,505,100 00	\$ 39,505,100 00
Preferred Stock — 31,498 shares	3,149,800 00	3,149,800 00
First Preferred Stock — 388,179 shares	38,817,900 00	38,817,900 00
Prior Preference Stock (Includes Negotiable Receipts)	23,138,500 00	23,138,500 00
<i>Total Capital Stock</i>	(a)\$104,611,300 00 4,227,040 14	(a)\$104,611,300 00 4,227,040 14
<i>Total Capital Stock and Premiums</i>	\$108,838,340 14	\$108,838,340 14
LONG-TERM DEBT		
Funded Debt Unmatured	(b)\$ 84,733,700 00 9,613,453 52	\$ 86,684,200 00 7,460,557 75
<i>Total Long-Term Debt</i>	\$ 94,347,153 52	\$ 94,144,757 75
CURRENT LIABILITIES		
Traffic and Car Service Balances — Net Payable	\$ 4,273,746 08	\$ 4,562,946 94
Audited Accounts and Wages Payable	4,097,721 31	3,792,950 89
Miscellaneous Accounts Payable	1,871,883 88	1,752,143 45
Interest Matured Unpaid	1,170,847 13	1,175,957 63
Dividends Matured Unpaid	12,349 64	12,349 64
Unmatured Interest Accrued	1,162,455 31	1,137,123 33
Accrued Accounts Payable	932,071 52	1,240,376 84
Taxes Accrued	4,006,419 70	3,689,382 73
Other Current Liabilities	329,248 13	24,771 34
<i>Total Current Liabilities</i>	\$ 17,856,742 70	\$ 17,388,002 79
DEFERRED LIABILITIES		
Pension and Welfare Reserves	\$ 34,949 40	\$ 75,000 00
New York State E.G.C. Projects	298,491 39	307,065 10
Other Deferred Liabilities	120,396 62	114,427 54
<i>Total Deferred Liabilities</i>	\$ 453,837 41	\$ 496,492 64
UNADJUSTED CREDITS		
Insurance Reserves	\$ 50,000 00	\$ 50,000 00
Accrued Depreciation — Leased Property	291,551 41	224,619 01
Other Unadjusted Credits	330,220 57	311,239 08
<i>Total Unadjusted Credits</i>	\$ 671,771 98	\$ 585,858 09
SURPLUS		
Additions to Property through Income and Surplus	\$ 14,822,146 85	\$ 14,822,146 85
Funded Debt Retired through Income and Surplus	22,763,185 37	21,565,300 23
Sinking Fund Reserves	1,172,297 39	1,172,180 53
Miscellaneous Fund Reserves	1,386,537 41	1,299,080 88
<i>Total Appropriated Surplus</i>	\$ 40,144,167 02	\$ 38,858,708 49
Unearned Surplus	598,088 04	598,088 04
Earned Surplus	(c) 9,868,830 61	(c) 9,422,894 04
<i>Total Surplus</i>	\$ 50,611,085 67	\$ 48,879,690 57
<i>Grand Total</i>	\$272,778,931 42	\$270,333,141 98

(a) Includes \$264,000.00 held by or for Company.

(b) Includes \$6,035,400.00 held by or for Company.

(c) Includes Surplus Earned by Lessor Companies before Consolidation.

Income Account

	Year ended Dec. 31, 1952	Increase or <i>Decrease</i>	Per Cent
TRANSPORTATION REVENUE			
Freight	\$66,851,601 55	d \$ 984,093 67	1.45
Passenger	11,963,736 86	602,650 44	5.30
Baggage	13,643 02	5,251 92	62.59
Parlor and Chair Car	10,734 41	d 7,400 28	40.81
Mail	4,303,551 56	1,050,771 68	32.30
Express	1,814,679 80	903,149 60	99.08
Other Passenger-Train	273,942 56	d 5,626 72	2.01
Milk	1,354,207 63	35,149 41	2.66
Switching	831,853 96	d 26,879 48	3.13
<i>Total Transportation Revenue</i>	\$87,417,951 35	\$1,572,972 90	1.83
INCIDENTAL REVENUE			
Dining and Buffet	\$ 138,521 26	\$ 17,258 31	14.23
Station and Train Privileges	124,119 70	d 3,352 92	2.63
Parcel Room	4,949 90	20 85	.42
Storage — Freight	28,919 61	d 5,231 88	15.32
Storage — Baggage	4,248 64	d 163 31	3.70
Demurrage	349,055 26	d 207,820 12	37.32
Communication	30,100 18	846 51	2.89
Grain Elevator	93,661 06	36,771 60	64.64
Power	91,585 54	10,223 08	12.56
Rent of Buildings and Other Property	1,002,852 63	2,690 79	.27
Miscellaneous	340,531 91	d 17,549 86	4.90
<i>Total Incidental Revenue</i>	\$ 2,208,545 69	d \$ 166,306 95	7.00
Joint Facility — Cr.	\$ 231,534 99	\$ 26,531 87	12.94
Joint Facility — Dr.	5,813 97	694 20	13.56
<i>Total Joint Facility Operating Revenue</i>	\$ 225,721 02	\$ 25,837 67	12.93
<i>Total Operating Revenues</i>	\$89,852,218 06	\$1,432,503 62	1.62
OPERATING EXPENSES			
Maintenance of Way and Structures	\$16,278,901 53	\$1,013,168 31	6.64
Maintenance of Equipment	13,554,166 90	25,674 04	.19
Traffic	1,360,563 20	9,251 23	.68
Transportation	37,478,392 31	d 295,926 17	.78
Miscellaneous Operations	236,274 02	2,494 60	1.07
General	3,635,317 89	d 18,957 83	.52
<i>Total Operating Expenses</i>	\$72,543,615 85	\$ 735,704 18	1.02
<i>Operating Ratio</i>	(80.74%)	d (.47%)	
<i>Net Operating Revenue</i>	\$17,308,602 21	\$ 696,799 44	4.19

d Indicates decrease.

Income Account (Continued)

	Year ended Dec. 31, 1952	Increase or Decrease	Per Cent
TAX ACCRUALS	\$ 8,312,158 75	\$ 602,022 04	7.81
<i>Operating Income</i>	\$ 8,996,443 46	\$ 94,777 40	1.06
Rent from Locomotives	\$ 26,815 23	d\$ 1,607 17	5.65
Rent from Passenger-Train Cars	415,352 84	d \$2,775 96	7.81
Rent from Work Equipment	26,630 01	3,735 91	16.32
Joint Facility Rent Income	457,857 77	34,672 71	8.19
<i>Total Rent Income</i>	\$ 926,655 85	\$ 4,025 49	.44
Hire of Freight Cars — Debit Balance	\$ 3,536,412 12	d\$ 106,102 47	2.91
Rent for Locomotives	19,607 47	d 1,101 56	5.82
Rent for Passenger-Train Cars	453,792 12	d 30,153 57	6.23
Rent for Work Equipment	889 55	817 83	—
Joint Facility Rents	848,983 52	78,917 08	10.25
<i>Total Rents Payable</i>	\$ 4,859,684 78	d\$ 57,622 69	1.17
<i>Net Rents Payable</i>	\$ 3,933,028 93	d\$ 61,648 18	1.54
<i>Net Railway Operating Income</i>	\$ 5,063,414 53	\$ 156,425 58	3.19
OTHER INCOME			
Miscellaneous Rent Income	\$ 332,292 99	\$ 35,872 59	12.10
Income from Nonoperating Property	7,373 74	d 2,476 49	25.14
Dividend Income	34,115 50	d 6,161 00	15.30
Interest Income	284,270 59	78,779 79	38.34
Income from Sinking and Other Reserve Funds	98,150 51	5,557 02	6.00
Miscellaneous Income	42,466 69	d 11,731 30	21.65
<i>Total Other Income</i>	\$ 798,670 02	\$ 99,840 61	14.29
<i>Total Income</i>	\$ 5,862,084 55	\$ 256,266 19	4.57

Income Account (Concluded)

	Year ended Dec. 31, 1952	Increase or <i>Decrease</i>	Per Cent
MISCELLANEOUS DEDUCTIONS FROM INCOME			
Miscellaneous Rents	\$ 238,774 34	\$ 115,852 82	94.25
Miscellaneous Tax Accruals . .	11,820 00	d 220 00	1.83
Miscellaneous Income Charges .	34,400 90	d 8,377 67	19.58
Income Applied to Sinking and Other Reserve Funds	130,228 50	7,034 00	5.71
<i>Total Miscellaneous Deductions</i>	\$ 415,223 74	\$ 114,289 15	37.98
<i>Income Available for Fixed Charges</i>	\$ 5,446,860 81	\$ 141,977 04	2.68
FIXED CHARGES			
Rent for Leased Roads	\$ 474,880 84	—	—
Interest on Funded Debt —			
Fixed Interest	2,560,631 57	\$ 18,442 33	.73
Interest on Unfunded Debt .	9,343 95	d 1,872 70	16.70
Amortization of Discount on Funded Debt	26,478 83	d 286 36	1.07
<i>Total Fixed Charges</i>	\$ 3,071,335 19	\$ 16,283 27	.53
<i>Income after Fixed Charges (Available Net Income).</i>	\$ 2,375,525 62	\$ 125,693 77	5.59
CONTINGENT CHARGES			
Sinking Fund — Series RR Bonds	\$ 679,102 00	—	
Interest on Funded Debt —			
Contingent Interest	1,030,230 00	d \$ 1,450 00	
Sinking Fund — Series A Bonds	482,870 00	—	
<i>Total Contingent Charges</i>	\$ 2,192,202 00	d \$ 1,450 00	
<i>Net Income after Fixed Charges and Other De- ductions, transferred to Profit and Loss</i>	\$ 183,323 62	\$ 127,143 77	

d Indicates decrease.

Earned Surplus—December 31, 1952

<i>Item</i>	<i>Debit</i>	<i>Credit</i>
Balance, December 31, 1951 (Credit)		(a) \$9,422,894 04
Credit Balance from Income Account for year 1952		183,323 62
Adjustment to Par of Boston and Maine Railroad Bonds purchased during 1952		108,180 37
Retired Miscellaneous Property Sold — Net		152,264 97
Miscellaneous Credits — Net		2,167 61
Credit Balance, December 31, 1952	(a) \$9,868,830 61	
	\$9,868,830 61	\$9,868,830 61

(a) Includes Surplus Earned by Lessor Companies before Consolidation.

DISTRIBUTION OF THE INCOME DOLLAR—1952

Average Number of All Employees, 12,654

Total Payroll — All Services, \$53,083,777

54.30¢ WAGES

11.13¢ MATERIALS AND SUPPLIES

9.18¢ TAXES

4.98¢ DEPRECIATION AND RETIREMENT

4.58¢ FUEL

4.49¢ INTEREST AND LEASE RENTALS, ETC.

4.34¢ EQUIPMENT AND JOINT FACILITY RENTS

4.08¢ ALL OTHER OPERATING EXPENSES

1.44¢ SALARIES

1.28¢ DEBT REDUCTION

0.20¢ NET INCOME

Operating Expenses

	Year ended Dec. 31, 1952	Increase or Decrease
MAINTENANCE OF WAY AND STRUCTURES		
Superintendence	\$ 959,489 05	\$ 15,008 59
Roadway Maintenance	1,261,064 28	d 5,148 89
Tunnels and Subways	54,136 15	4,993 87
Bridges, Trestles and Culverts	364,193 29	d 6,102 20
Ties	808,652 73	251,495 53
Rails	175,843 51	d 57,015 38
Other Track Material	615,808 13	104,129 88
Ballast	89,032 40	d 30,523 33
Track Laying and Surfacing	4,064,618 00	208,786 82
Fences, Snowsheds and Signs	92,200 89	6,742 46
Station and Office Buildings	722,133 48	46,193 29
Roadway Buildings	45,620 36	d 11,795 23
Water Stations	26,546 87	d 15,956 20
Fuel Stations	22,916 77	d 3,362 51
Shops and Enginehouses	509,497 33	d 18,991 38
Grain Elevators	44,298 85	10,947 91
Wharves and Docks	11,599 06	d 5,377 66
Coal and Ore Wharves	4,349 58	d 667 93
Communication Systems	108,578 06	19,798 07
Signals and Interlockers	1,131,057 89	26,779 54
Power Plants	4,410 70	d 800 98
Power-Transmission Systems	73,715 56	d 13,717 47
Road Property — Depreciation	1,728,384 96	31,492 00
Retirements — Road	651,014 96	75,051 36
Roadway Machines	225,802 64	18,931 70
Dismantling Retired Road Property	206,818 34	121,669 23
Small Tools and Supplies	231,535 62	4,200 27
Removing Snow, Ice and Sand	1,061,737 76	186,365 15
Public Improvements — Maintenance	305,131 68	34,825 28
Injuries to Persons	114,661 25	d 35,312 05
Insurance	26,707 32	7,632 87
Stationery and Printing	12,204 23	d 2,437 14
Other Expenses	7,885 78	1,377 29
Maintaining Joint Tracks, Yards and Other Facilities — Dr.	696,352 54	90,042 91
Maintaining Joint Tracks, Yards and Other Facilities — Cr.	179,098 49	46,087 36
<i>Total Maintenance of Way and Structures</i>	\$16,278,901 53	\$1,013,168 31
<i>Ratio to Total Operating Revenues</i>	(18.12%)	(.85%)

d Indicates decrease.

Operating Expenses (Continued)

	Year ended Dec. 31, 1952	Increase or Decrease
MAINTENANCE OF EQUIPMENT		
Superintendence	\$ 735,587 75	\$ 22,757 33
Shop Machinery	231,556 58	d 1,533 72
Power-Plant Machinery	76,265 02	17,084 51
Shop and Power-Plant Machinery —		
Depreciation	109,221 00	d 371 00
Dismantling Retired Shop and Power-Plant Machinery	557 30	314 19
Steam Locomotives — Repairs	1,075,067 24	d 543,407 01
Other Locomotives — Repairs	3,662,435 54	385,064 71
Freight-Train Cars — Repairs	2,268,529 83	299,578 64
Passenger-Train Cars — Repairs	2,605,198 33	d 408,307 28
Work Equipment — Repairs	325,698 70	11,171 33
Miscellaneous Equipment — Repairs	4,587 08	d 974 17
Dismantling Retired Equipment	57,139 06	d 5,149 54
Retirements — Equipment	27,124 60	d 27,124 60
Equipment — Depreciation	2,024,110 77	151,685 11
Injuries to Persons	170,651 62	105,331 95
Insurance	86,463 10	d 9,058 77
Stationery and Printing	11,958 31	d 384 25
Other Expenses	28,944 47	15,869 87
Joint Maintenance of Equipment		
Expenses — Dr.	116,281 38	14,815 38
Joint Maintenance of Equipment		
Expenses — Cr.	8,961 58	1,688 64
<i>Total Maintenance of Equipment</i>	<i>\$ 13,554,166 90</i>	<i>\$ 25,674 04</i>
<i>Ratio to Total Operating Revenues</i>	<i>(15.08%)</i>	<i>d (.22%)</i>
 TRAFFIC		
Superintendence	\$ 528,634 52	d \$ 45,969 43
Outside Agencies	492,530 30	48,999 74
Advertising	192,447 10	d 576 99
Traffic Associations	60,881 46	d 406 86
Industrial and Immigration Bureaus	26,610 17	d 1,892 34
Insurance	253 18	141 43
Stationery and Printing	59,206 47	8,955 68
<i>Total Traffic</i>	<i>\$ 1,360,563 20</i>	<i>\$ 9,251 23</i>
<i>Ratio to Total Operating Revenues</i>	<i>d (.01%)</i>	

d Indicates decrease.

Operating Expenses (Continued)

	Year Ended Dec. 31, 1952	Increase or Decrease
TRANSPORTATION		
Superintendence	\$ 1,087,514 36	\$ 80,217 77
Dispatching Trains	421,511 48	2,085 38
Station Employees	5,833,864 33	d 218,627 96
Weighing, Inspection and Demurrage		
Bureaus	34,265 20	d 2,089 14
Station Supplies and Expenses	556,210 69	d 26,214 91
Yardmasters and Yard Clerks	1,311,156 09	44,135 76
Yard Conductors and Brakemen	2,517,926 19	52,664 65
Yard Switch and Signal Tenders	435,899 92	12 45
Yard Enginemen	190,353 78	d 100,757 22
Yard Motormen	1,261,260 92	110,427 39
Yard Switching Fuel	313,193 10	d 42,506 59
Water for Yard Locomotives	5,571 57	d 4,923 18
Lubricants for Yard Locomotives	23,057 50	3,840 13
Other Supplies for Yard Locomotives	17,748 64	989 47
Enginehouse Expenses — Yard	233,194 53	d 2,604 25
Yard Supplies and Expenses	98,085 90	8,497 31
Operating Joint Yards and Terminals		
— Dr.	2,721,370 89	186,764 10
Operating Joint Yards and Terminals		
— Cr.	504,082 34	70,193 02
Train Enginemen	815,335 89	d 459,462 20
Train Motormen	2,879,637 17	408,253 71
Train Fuel	3,165,282 37	d 336,254 34
Water for Train Locomotives	68,049 86	d 3,743 73
Lubricants for Train Locomotives	196,346 10	615 55
Other Supplies for Train Locomotives	146,049 92	d 1,436 58
Enginehouse Expenses — Train	1,800,336 76	d 38,077 09
Trainmen	5,319,069 95	d 49,867 27
Train Supplies and Expenses	2,543,711 70	70,663 68
Operating Sleeping Cars	119,623 90	119,623 90
Signal and Interlocker Operation	797,388 68	7,874 14
Crossing Protection	1,636,601 56	19,416 05
Drawbridge Operation	72,144 40	3,896 50
Communication System Operation	69,732 20	8,688 28
Stationery and Printing	171,952 30	6,727 64
Other Expenses	30,938 86	d 7,442 93
Operating Joint Tracks and Facilities		
— Dr.	54,907 81	7,049 27
Operating Joint Tracks and Facilities		
— Cr.	67,003 09	2,479 46
Insurance	19,328 78	8,022 10
Clearing Wrecks	68,734 35	2,618 18
Damage to Property	26,714 62	d 24,902 70
Damage to Live Stock on Right of Way	4,374 09	d 883 73
Loss and Damage — Freight	567,234 86	d 41,405 91
Loss and Damage — Baggage	9,821 43	5,892 76
Injuries to Persons	403,975 09	d 21,030 13
<i>Total Transportation</i>	<i>\$37,478,392 31</i>	d \$ 295,926 17
<i>Ratio to Total Operating Revenues</i>	<i>(41.71%)</i>	d (1.01%)

d Indicates decrease.

Operating Expenses (Concluded)

	Year Ended Dec. 31, 1952	Increase or Decrease
MISCELLANEOUS OPERATIONS		
Dining and Buffet Service	\$ 181,766 76	\$ 3,182 45
Grain Elevators	54,489 60	d 695 66
Other Miscellaneous Operations	17 66	7 81
<i>Total Miscellaneous Operations</i>	\$ 236,274 02	\$ 2,494 60
<i>Ratio to Total Operating Revenues</i>	(.26%)	—
 GENERAL		
Salaries and Expenses of General Officers		
Salaries and Expenses of Clerks and		
Attendants	2,393,263 45	29,002 70
General Office Supplies and Expenses	183,533 46	4,523 67
Law Expenses	257,776 29	11,195 70
Insurance	1,004 16	207 14
Pensions and Gratuities	226,660 09	d 91,510 60
Stationery and Printing	61,005 97	d 12,092 55
Valuation Expenses	42,526 57	3,412 17
Other Expenses	155,228 29	25,127 46
General Joint Facilities — Dr.	26,561 62	d 107 16
<i>Total General</i>	\$ 3,635,317 89	d \$ 18,957 83
<i>Ratio to Total Operating Revenues</i>	(4.05%)	d (.08%)
 <i>Total Operating Expenses</i>	\$72,543,615 85	\$ 735,704 18
<i>Ratio to Total Operating Revenues</i>	(80.74%)	d (.47%)

d Indicates decrease.

Capital Stock and Long-Term Debt Outstanding

CAPITAL STOCK	Amount Outstanding	Dividend Rate
Prior Preference	\$ 23,136,100 00	7 %
Prior Preference Negotiable Receipts . .	2,400 00	7 %
First Preferred Class A	18,860,000 00	5 %
" " " B	7,648,800 00	8 %
" " " C	7,917,100 00	7 %
" " " D	4,327,000 00	10 %
" " " E	65,000 00	4½ %
Preferred	3,149,800 00	6 %
Common	39,505,100 00	
	\$104,611,300 00	

LONG-TERM DEBT	Amount Outstanding
Bonds secured by Mortgage dated December 1, 1919, supplemented as of July 1, 1940	
Series II	\$ 1,237,000 00
" RR	55,174,200 00
" JJ	902,000 00
" AC	3,065,000 00
Income Mortgage " A	24,168,500 00
Vermont Valley Railroad 1st Mortgage Bonds	c 187,000 00
<i>Total Mortgage Bonds</i>	\$84,733,700 00
Lease and Purchase Agreements — Equipment	9,613,453 52
<i>Grand Total Long-Term Debt</i>	\$94,347,153 52

Capital Stock Outstanding December 31, 1952—Leased Roads

CAPITAL STOCK	Amount Outstanding	Dividend Rate (Paid as rental)	Owned, Held in Treasury or Insurance Fund
Stony Brook	\$ 300,000 00	7%	\$ 40,200 00
Northern	3,068,400 00	6%	1,039,700 00
Vermont and Massachusetts	3,193,000 00	6%	680,400 00
<i>Total Capital Stock</i>	\$6,561,400 00		\$1,760,300 00

December 31, 1952—Owned Road

Cumulative Dividends Unpaid Since †Jan. 1, 1932 — *Oct. 1, 1931		Amount in Hands of Public	Owned, Deposited with Trustee, or Held in Treasury**
\$147 00	per share	\$33,720,330 00	\$ 197,100 00
†\$147 00	" "	3,528 00	2,400 00
*\$106 25	" "	20,011,231 25	18,834,100 00
*\$170 00	" "	13,002,960 00	7,648,800 00
*\$148 75	" "	11,768,356 25	a 7,911,500 00
*\$212 50	" "	9,188,287 50	4,323,900 00
*\$ 95 625	" "	62,156 25	65,000 00
Non-cumulative		3,149,800 00	3,100 00
		39,472,800 00	32,300 00
		\$104,347,300 00	\$ 264,000 00
Date of Maturity	Rate		
May 1, 1955	5 %	\$ 1,237,000 00	
July 1, 1960	4 %	51,059,300 00	\$4,114,900 00
April 1, 1961	4 3/4 %	897,000 00	b 5,000 00
September 1, 1967	5 %	2,424,000 00	b 641,000 00
July 1, 1970	4 1/2 %	22,894,000 00	1,274,500 00
October 1, 1955	4 %	187,000 00	
Various		\$ 78,698,300 00	\$6,035,400 00
		9,613,453 52	
		\$ 88,311,753 52	\$6,035,400 00

** No interest.

a Includes 12 shares held for conversion of Concord & Montreal Railroad Stock.

b Deposited with and held by Trustee in Lieu of Mortgaged Property Sold, to release would require cash payment at par.

c Issued under Vermont Valley Railroad Mortgage dated October 1, 1940, assumed on December 31, 1949.

Miles of Road Operated, December 31, 1952

STEAM ROADS	Owned	Leased	Total
Main Lines	860 66	137 20	997 86
Branch Lines	603 13	4 32	607 45
Trackage Rights	—	74 00	74 00
<i>Total Road Operated</i>	1,463 79	215 52	1,679 31
Second Track	455 81	a 79 86	535 67
Third Track	8 06	b 7 69	15 75
Other Tracks	856 63	97 67	954 30
<i>Total Track Operated</i>	2,784 29	400 74	3,185 03

a Includes trackage rights 13.17 miles.

b Includes trackage rights .99 mile.

Additions and Betterments (Operating Property)—December 31, 1952

TITLE ACCOUNT		Gross Expenditures	Property Retired	Net Capital Changes
ROAD				
1	Engineering	\$ 45,810 12	\$ 86,109 56	\$ 40,299 44
2	Land for Transportation Purposes	4,882 10	294,487 16	289,605 06
2½	Other Right-of-Way Expenditures	—	1,001 00	1,001 00
3	Grading	75,131 74	275,340 07	200,208 33
5	Tunnels and Subways	64 70	—	64 70
6	Bridges, Trestles and Culverts	65,954 02	118,775 95	52,821 93
8	Ties	24,448 59	84,567 76	60,119 17
9	Rails	383,903 70	516,735 72	132,832 02
10	Other Track Material	575,431 46	423,684 48	151,746 98
11	Ballast	3,809 61	67,846 28	64,036 67
12	Track Laying and Surfacing	85,977 41	100,099 20	14,121 79
13	Fences, Snowsheds and Signs	2,433 95	29,435 02	27,001 07
16	Station and Office Buildings	170,006 33	333,580 88	163,574 55
17	Roadway Buildings	7,382 08	3,571 15	3,810 93
18	Water Stations	3,234 78	238,326 84	235,092 06
19	Fuel Stations	44,185 58	90,001 51	45,815 93
20	Shops and Enginehouses	123,719 52	107,055 73	16,663 79
21	Grain Elevators	3,719 76	—	3,719 76
23	Wharves and Docks	665 56	—	665 56
24	Coal and Ore Wharves	223 63	—	223 63
26	Communication Systems	8,441 62	5,732 97	2,708 65
27	Signals and Interlockers	467,769 09	133,262 50	334,506 59
29	Power Plants	—	2,208 00	2,208 00
31	Power-Transmissions Systems	6,432 73	11,896 03	5,463 30
35	Miscellaneous Structures	1,475 64	—	1,475 64
37	Roadway Machines	76,558 90	11,296 99	65,261 91
38	Roadway Small Tools	8,113 02	—	8,113 02
39	Public Improvements—Construction	6,013 37	128,026 30	122,012 93
41	Shop Machinery	35,229 26	136,579 19	101,349 93
45	Power-Plant Machinery	27,654 77	3,526 43	24,128 34
<i>Total Road</i>		\$2,258,673 04	\$3,203,146 72	\$ 944,473 68
EQUIPMENT				
51	Steam Locomotives	\$ 1,546 97	\$1,375,383 63	\$1,373,836 66
52	Other Locomotives	5,049,861 70	5,188 53	5,044,673 17
53	Freight-Train Cars	21,202 81	176,076 23	154,878 42
54	Passenger-Train Cars	1,324,481 79	923,986 77	400,495 02
57	Work Equipment	116,225 19	65,471 42	50,753 77
58	Miscellaneous Equipment	2,529 00	1,375 00	1,154 00
<i>Total Equipment</i>		\$6,515,847 46	\$2,547,481 58	\$3,968,365 88
GENERAL EXPENDITURES				
72	General Officers and Clerks	—	\$ 387 00	\$ 387 00
73	Law	—	504 20	504 20
74	Stationery and Printing	—	23 00	23 00
75	Taxes	—	111 00	111 00
76	Interest during Construction	—	5,608 52	5,608 52
77	Other Expenditures — General	—	89 00	89 00
<i>Total General Expenditures</i>		—	\$ 6,722 72	\$ 6,722 72
<i>Totals</i>		\$8,774,520 50	*\$5,757,351 02	\$3,017,169 48

* DISPOSITION OF CREDITS

Account No.

701 — Road and Equipment Property — (Equipment Converted)	\$ 51,000 00
702½ — Accrued Depreciation — Road and Equipment — Owned Road	3,424,522 30
705 — Miscellaneous Physical Property	80,542 97
708 — Cash — (Land, Buildings, Equipment, Rail and Track Fastenings Sold)	950,596 72
716 — Material and Supplies — (Usable Material)	447,688 40
722 — Other Deferred Assets	3,873 73
726 — Property Retired Chargeable to Operating Expenses	280,681 06
779 — Accrued Depreciation — Leased Property	87,077 60
531 — Operating Expenses	584,425 27
607 — Profit and Loss — Credit	153,057 03

Total Amount credited to Investment in Road and Equipment \$5,757,351 02

Operating Statistics

	Year ended Dec. 31, 1952	Increase or Decrease
AVERAGE MILES OF ROAD OPERATED		
Freight service	1,686.47	<i>4.22</i>
Passenger service	1,379.84	<i>24.85</i>
<i>Total</i>	<i>1,697.82</i>	<i>4.22</i>
TRAIN MILEAGE		
Freight service (with locomotives)	3,117,912	<i>84,136</i>
Passenger service (with locomotives)	5,484,448	<i>314,181</i>
Passenger service (without locomotives)	422,519	<i>194,410</i>
Work service	108,421	<i>17,896</i>
<i>Total train miles</i>	<i>9,133,300</i>	<i>186,011</i>
* LOCOMOTIVE MILEAGE		
Freight service	3,341,006	<i>118,920</i>
Passenger service	5,663,193	<i>322,803</i>
Train switching	333,390	<i>35,196</i>
Yard switching	2,034,918	<i>97,932</i>
Work service	168,233	<i>18,845</i>
<i>Total locomotive miles</i>	<i>11,540,740</i>	<i>485,614</i>
CAR MILEAGE		
Freight-Train Car Miles:		
Loaded	116,510,747	<i>7,722,812</i>
Empty	53,114,329	<i>2,899,115</i>
Caboose	3,199,108	<i>74,887</i>
<i>Total freight-train car miles</i>	<i>172,824,184</i>	<i>4,898,584</i>
Passenger-Train Car Miles:		
Passenger coaches	15,911,830	<i>353,340</i>
Sleeping and parlor cars	2,966,820	<i>475,234</i>
Club, lounge, dining and observation cars	147,531	<i>10,040</i>
Business cars	15,033	<i>3,562</i>
Mail, express, and baggage cars, and combination cars other than passenger	14,272,317	<i>391,805</i>
Combination passenger cars (mail, express, or baggage with passenger)	3,658,191	<i>88,795</i>
<i>Total passenger-train car miles</i>	<i>35,971,722</i>	<i>1,265,652</i>
<i>Total transportation service car miles</i>	<i>209,795,906</i>	<i>6,164,236</i>
AVERAGES		
Operating revenues per mile of road	\$52,922.11	<i>\$972.85</i>
Operating expenses per mile of road	42,727.51	<i>538.19</i>
Net railway operating income per mile of road	2,982.30	<i>99.30</i>
Operating revenues per train mile	9.96	<i>.38</i>
Operating expenses per train mile	8.04	<i>.26</i>
Net railway operating income per train mile56	<i>.03</i>
Total freight cars per revenue train mile	54.40	<i>.08</i>
Loaded freight cars per revenue train mile	37.37	<i>1.43</i>
Empty freight cars per revenue train mile	17.03	<i>1.35</i>
Total passenger cars per train mile	6.26	<i>.08</i>

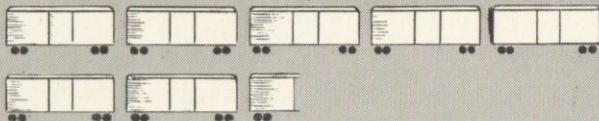
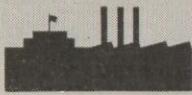
* Includes 9,785,254 Diesel Locomotive Miles.
 Italics indicate decrease.

Traffic Statistics

	Year Ended Dec. 31, 1952	Increase or Decrease
FREIGHT		
Freight Revenue	\$ 66,851,602	\$ 984,093
Tons of revenue freight carried	18,389,437	<i>1,360,906</i>
Tons of company freight carried	1,029,119	<i>152,461</i>
<i>Total tons of freight carried</i>	<i>19,418,556</i>	<i>1,513,367</i>
Tons of revenue freight carried one mile	3,031,077,670	<i>198,770,281</i>
Tons of company freight carried one mile	59,050,504	<i>17,080,256</i>
<i>Total tons of freight carried one mile</i>	<i>3,090,128,174</i>	<i>215,850,537</i>
PASSENGER		
Passenger Revenue:		
Monthly commutation ticket passengers	\$ 1,174,398.80	\$ 86,479.98
All other commutation ticket passengers	1,874,265.26	170,017.17
Single fare ticket passengers (not including interline)	5,287,728.36	433,993.94
Interline ticket passengers	3,627,344.44	<i>87,840.65</i>
<i>Total passenger revenue</i>	<i>\$11,963,736.86</i>	<i>\$602,650.44</i>
Number of Passengers Carried:		
Monthly commutation ticket passengers	3,247,169	337,766
All other commutation ticket passengers	7,034,059	501,960
Single fare ticket passengers (not including interline)	6,269,863	847,380
Interline ticket passengers	1,191,975	31,714
<i>Total number of passengers carried</i>	<i>17,743,066</i>	<i>39,368</i>
Number of Passengers carried one mile:		
Monthly commutation ticket passengers	76,583,150	9,618,376
All other commutation ticket passengers	70,755,939	6,931,878
Single fare ticket passengers (not including interline)	177,321,995	10,068,765
Interline ticket passengers	108,406,370	1,589,238
<i>Total number of passengers carried one mile</i>	<i>433,067,454</i>	<i>4,892,251</i>
Number of Passengers to and from Boston including monthly ticket passengers	17,318,045	172,058
AVERAGES		
Freight:		
Miles hauled — revenue freight	164.83	1.30
Tons of revenue freight per train mile	972.15	38.53
Tons of revenue freight per loaded car mile	26.02	.02
Revenue per ton of freight	\$ 3,63533	\$.20067
Revenue per ton per mile (cents)	2.206	.106
Revenue per revenue train mile	\$ 21.441	\$.256
Freight revenue per loaded car mile (cents)	57.378	2.775
Passenger:		
Average distance carried per passenger (miles)	24.41	.83
Number of passengers per train mile	73.31	.64
Number of passengers per car mile	19.22	.51
Revenue per passenger (cents)	67.43	3.26
Revenue per passenger mile, monthly commutation ticket passengers (cents)	1.533	.271
Revenue per passenger mile, other commutation ticket passengers (cents)	2.649	.455
Revenue per passenger mile, single fare not including interline (cents)	2.982	.080
Revenue per passenger mile, interline passengers (cents)	3.346	.132
Revenue per passenger mile, all passengers (cents)	2.763	.169
Passenger revenue per passenger car mile (cents)	53.085	4.542
Total passenger service train revenue per train mile	\$ 3.364	\$.498

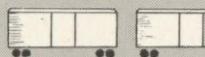
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CARLOADS HAULED IN 1952



370,344

CARS OF MANUFACTURERS
AND MISC.



85,371

CARS OF PRODUCTS
OF AGRICULTURE



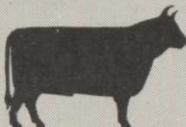
82,133

CARS OF PRODUCTS
OF MINES



50,754

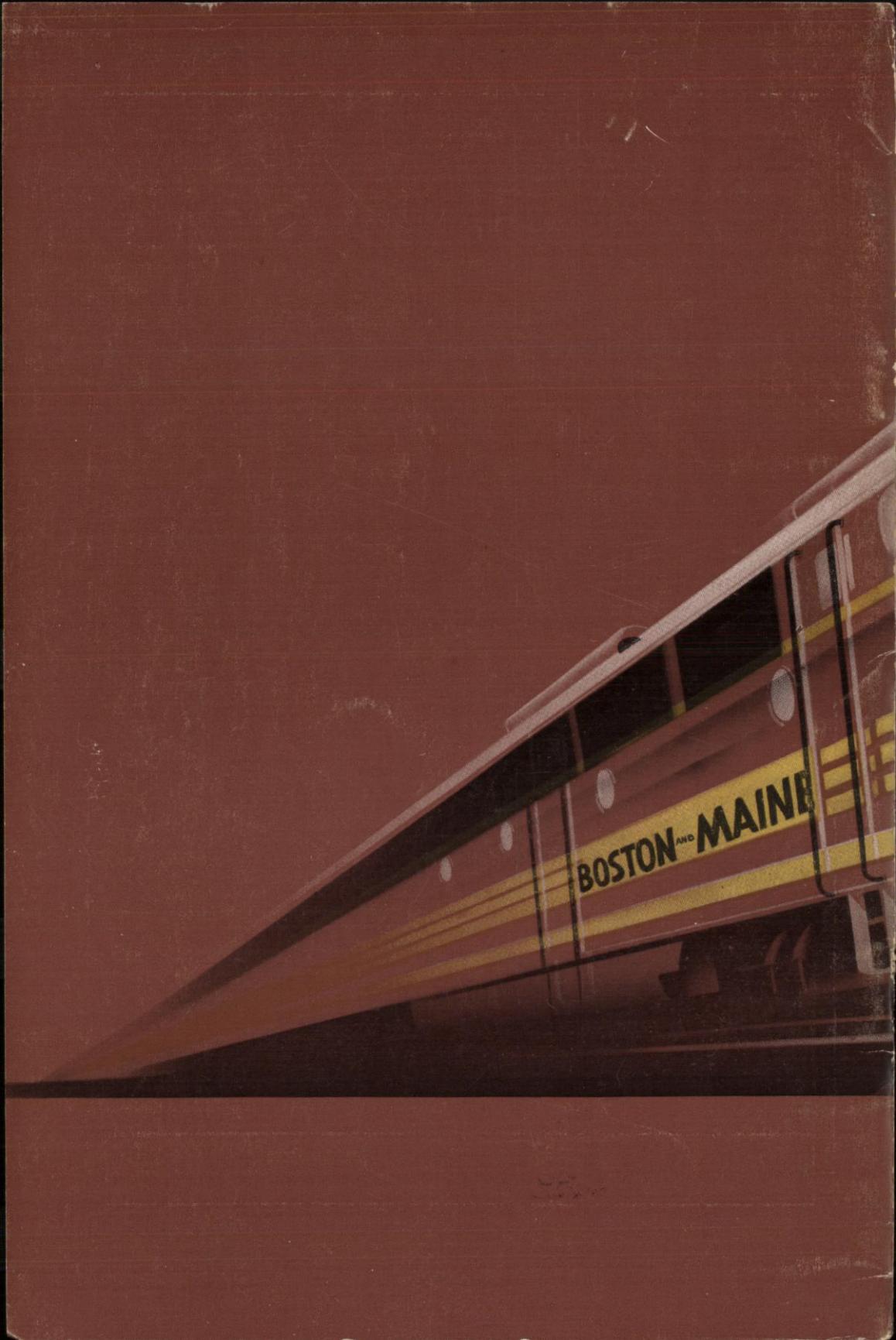
CARS OF PRODUCTS
OF FORESTS



42,339

CARS OF ANIMALS
AND ANIMAL PRODUCTS

TOTAL 630,941



BOSTON AND MAINE